

1 AN ACT in relation to public employee benefits.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Pension Code is amended by
5 changing Section 7-156 as follows:

6 (40 ILCS 5/7-156) (from Ch. 108 1/2, par. 7-156)
7 Sec. 7-156. Surviving spouse annuities - amount.

8 (a) The amount of surviving spouse annuity shall be:

9 1. Upon the death of an employee annuitant or such
10 person entitled, upon application, to a retirement annuity at
11 date of death, (i) an amount equal to 1/2 of the retirement
12 annuity which was or would have been payable exclusive of the
13 amount so payable which was provided from additional credits,
14 and disregarding any election made under paragraph (b) of
15 Section 7-142, plus (ii) an annuity which could be provided
16 at the then attained age of the surviving spouse and under
17 actuarial tables then in effect, from the excess of the
18 additional credits, (excluding any such credits used to
19 create a reversionary annuity) used to provide the annuity
20 granted pursuant to paragraph (a)(2) of Section 7-142 of this
21 article over the total annuity payments made pursuant
22 thereto.

23 2. Upon the death of a participating employee on or
24 after attainment of age 55, an amount equal to 1/2 of the
25 retirement annuity which he could have had as of the date of
26 death had he then retired and applied for annuity, exclusive
27 of the portion thereof which could have been provided from
28 additional credits, and disregarding paragraph (b) of Section
29 7-142, plus an amount equal to the annuity which could be
30 provided from the total of his accumulated additional credits
31 at date of death, on the basis of the attained age of the

1 surviving spouse on such date.

2 3. Upon the death of a participating employee before age
3 55, an amount equal to 1/2 of the retirement annuity which he
4 could have had as of his attained age on the date of death,
5 had he then retired and applied for annuity, and the
6 provisions of this Article that no such annuity shall begin
7 until the employee has attained at least age 55 were not
8 applicable, exclusive of the portion thereof which could have
9 been provided from additional credits and disregarding
10 paragraph (b) of Section 7-142, plus an amount equal to the
11 annuity which could be provided from the total of his
12 accumulated additional credits at date of death, on the basis
13 of the attained age of the surviving spouse on such date.

14 In the case of the surviving spouse of a person who dies
15 before the effective date of this amendatory Act of the 92nd
16 General Assembly, if the a surviving spouse is more than 5
17 years younger than the deceased, that portion of the annuity
18 which is not based on additional credits shall be reduced in
19 the ratio of the value of a life annuity of \$1 per year at an
20 age of 5 years less than the attained age of the deceased, at
21 the earlier of the date of the death or the date his
22 retirement annuity begins, to the value of a life annuity of
23 \$1 per year at the attained age of the surviving spouse on
24 such date, according to actuarial tables approved by the
25 Board. This reduction does not apply to the surviving spouse
26 of a person who dies on or after the effective date of this
27 amendatory Act of the 92nd General Assembly.

28 In computing the amount of a surviving spouse annuity,
29 incremental increases of retirement annuities to the date of
30 death of the employee annuitant shall be considered.

31 (b) Each surviving spouse annuity payable on January 1,
32 1988 shall be increased on that date by 3% of the original
33 amount of the annuity. Each surviving spouse annuity that
34 begins after January 1, 1988 shall be increased on the

1 January 1 next occurring after the annuity begins, by an
2 amount equal to (i) 3% of the original amount thereof if the
3 deceased employee was receiving a retirement annuity at the
4 time of his death; otherwise (ii) 0.167% of the original
5 amount thereof for each complete month which has elapsed
6 since the date the annuity began.

7 On each January 1 after the date of the initial increase
8 under this subsection, each surviving spouse annuity shall be
9 increased by 3% of the originally granted amount of the
10 annuity.

11 (Source: P.A. 85-941.)

12 Section 90. The State Mandates Act is amended by adding
13 Section 8.25 as follows:

14 (30 ILCS 805/8.25 new)

15 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
16 and 8 of this Act, no reimbursement by the State is required
17 for the implementation of any mandate created by this
18 amendatory Act of the 92nd General Assembly.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.